

REMARKS

After entry of the foregoing amendment, claims 3, 5 and 8-25 are pending in the application.

Claims 17 and 18 have been amended to provide better antecedent support, and to broaden their scope.

Claim 22 has been amended to redress the antecedent basis issue noted by the Examiner.

Claim 3, 5, 16, 18-20 and 23 stand rejected under § 102 over Li (5,506,697). The rejection is respectfully traversed.

Each of the rejected claims requires “encoding a watermark” (or a “watermarker that alters an output from said apparatus to encode a watermark therein”). Li does not teach such any such watermark encoding.

The item denoted by reference numeral 45 in Li’s Fig. 3 is a bar code. This bar code is more particularly shown in Li’s Fig. 2. This item is not a watermark.

The present specification incorporates-by-reference a prior application 09/503,881 (now patent 6,614,914, copy enclosed with IDS filed 2/5/04) for its teachings on watermarks.¹ That specification makes clear that one of the attributes of a watermark is that it is essentially imperceptible. For example, that incorporated-by-reference document states:

- *“The embedder encodes a message into a digital signal by modifying its sample values such that the message is imperceptible to the ordinary observer in output form.”²*
- *“Generally, the perceptual analysis employs a HVS model to identify signal frequency bands and/or spatial areas to increase or decrease watermark signal intensity to make the watermark imperceptible to an ordinary observer.”³*
- *Digital watermarking technology allows the user to embed digital messages within media content. These digital messages are imperceptible to humans but can be read by computers and specialized devices.”⁴*

¹ See paragraph bridging pages 1 and 2 in the present specification – updated to include issued patent number in amendment filed February 5, 2004.

² Patent 6,614,914, col. 6, lines 54-56, emphasis added.

³ Patent 6,614,914, col. 12, lines 10-14, emphasis added.

⁴ Patent 6,614,914, col. 35, lines 2-5, emphasis added

The Federal Circuit, in a recent *en banc* decision, reiterated longstanding precedent, stating: “*The specification is, thus, the primary basis for construing the claims.*”⁵

The meaning of the term “watermark” in applicant’s claims must proceed primarily from the specification. Only if the specification does not guide interpretation of the term should extrinsic sources be given primacy.

In the present case, an artisan would understand from the specification that a watermark is essentially imperceptible. The bar code taught by Li would not be understood by an artisan as a watermark.

In a discussion of a particular application of watermarking – associating a URL with a printed document – applicant’s incorporated-by-reference specification emphasized one of the advantages that an imperceptible marking provides – it preserves the aesthetics of the marked media object, preserving quality:

*Embedding imperceptible digital watermarks offers several advantages over printing the URL on an advertisement. First, using digital watermarks does not require any real estate of the image and thus preserves the image quality. Presenting the URL on the image consumes some of the image's valuable real estate and degrades image quality.*⁶

It will be recognized, again, that Li teaches an opposite arrangement. An artisan following Li’s teaching would be left with a document bearing an unsightly pattern of black and white lines – detracting from the document’s original quality. (See document 20 in Li’s Fig. 1.)

Since Li fails to teach a watermark, it cannot anticipate any of applicant’s claims requiring a watermark.

Moreover, Li is also applied in all of the § 103 rejections – for its alleged teaching of encoding a watermark, etc. However, as indicated above, Li does not teach any watermark. Accordingly, the § 103 rejections fail because the art – even if combined as

⁵ *Philips v. AWH Corp.*, Nos. 03-1269, 03-1286 (Fed. Cir. July 12, 2005), slip op. at 14, citing *Standard Oil Co. v. Am. Cyanamid Co.*, 774 F.2d 448, 452 (Fed. Cir. 1985).

⁶ Patent 6,614,914, col. 40, lines 8-13.

proposed – cannot yield the claimed combinations.

In view of the deficiencies noted above, other points that might be made concerning the art, the claims, and the rejections, are not belabored.

Dependent claim 25 is newly added, specifying that “said digital watermark is essentially imperceptible to human viewers of image data collected by the security monitoring camera.” Support therefor is found, e.g., in the quoted excerpts of incorporated-by-reference patent 6,614,914.

Favorable reconsideration and passage to issuance are solicited.

Date: September 7, 2005

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